

Joint press release Biesse e HSD

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Pesaro, 26 March 2018 – Biesse S.p.A. (Biesse) - the company which operates in the market for machinery and systems for the processing of wood, glass/stone and advanced materials and which is listed in the STAR segment of the Italian stock exchange and its subsidiary HSD S.p.A. (HSD) - a company involved in the design, production and distribution of electrospindles and technologically advanced components for machine tools for the processing of wood, metal, composite materials glass and stone – announce that today, 26 March 2018, HSD:

- Presented to Borsa Italiana S.p.A. a request for the admission to the listing of its ordinary shares on the Italian Equities Market (Mercato Telematico Azionario - MTA) organised and managed by Borsa Italiana S.p.A. and
- Together with Biesse, deposited at the Commissione Nazionale per le Società e la Borsa (Consob) – the Italian financial markets regulatory authority – a request for authorisation to publish its information prospectus published in accordance with article 113 of Legislative Decree no. 58 of 24 February 1998 and article 52 of the regulation adopted by Consob resolution no. 11971 of 14 May 1999.

The presentation of these requests is the result of analyses conducted by Biesse to identify the optimum course for HSD to take to allow it to best take advantage of the current and future significant development opportunities available in their core markets. It is expected that the proposed listing of HSD on the Italian Equities Market should be achieved through a reserved private placing with qualified Italian and foreign institutional investors, excluding those in the United States f America, Australia, Canada and Japan and other countries, for which specific authorisation is required. The placing will involve both newly issued ordinary shares in HSD and existing ordinary shares being sold by Biesse. Although the size, terms and conditions of the offer have not yet been

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finalised, it is expected that Biesse will retain full control of HSD.

With regard to the above proposals, Banca IMI (Gruppo Intesa Sanpaolo) will operate as Global Coordinator and, together with BNP Paribas as Joint Bookrunner. Banca IMI will also be Sponsor to the issue. HSD's legal advisors are DLA Piper, while the Global Coordinator will be assisted by the legal firms Bonelli Erede and Cleary Gottlieb Steen & Hamilton.

BIESSE - *The Biesse Group operates in the market for machinery and systems for working wood, glass, marble and stone. Founded in Pesaro in 1969 by Giancarlo Selci, Biesse S.p.A. has been listed on the STAR sector of Borsa Italiana since June 2001. Since October 2017 and is currently a constituent of the FTSE IT Mid Cap index. The Company offers modular solutions from the design of turnkey plants for large furniture manufacturers to individual automatic machines and work stations for small and medium enterprises and the design and distribution of individual highly technological components. As a result of its attention to research and innovation, Biesse can develop modular products and solutions capable of responding to a vast range of requirements from clients. A multinational company, the Biesse Group distributes its products through a network of subsidiaries and associates located in strategic markets. The 39 directly controlled subsidiaries and representative offices guarantee specialized after-sales assistance to clients whilst at the same time carrying out market research in order to develop new products. The Biesse Group currently has more than 4,000 employees in its main production sites in Pesaro, Padua, Villafranca (VR), Thiene (VI), Alzate Brianza (CO), Bangalore, Dongguan and its associates/branch offices in Europe, North America, Latin America the Middle East, Asia and Australasia. The Group also has no fewer than 300 resellers and agents enabling it to cover more than 100 countries.*

HSD - *HSD S.p.A. (part of the Biesse Group) is the second largest global designer, producer and distributor of electrospindles and technologically advanced components for machine tools used in the processing of wood, metal, composite materials, glass and stone for the furnishing and construction sectors as well as the robotics, consumer electronics and automobile and aerospace industries and is world leader in the wood sector. At its 8,000 sq m plant, which is organised on lean production principles, it develops a wide range of mechatronic components including electrospindles and bi-rotary units with Industry 4.0 ready technology, which allow its clients to take advantage of the opportunities and benefits of the fourth industrial revolution. HSD, through its headquarters in Italy (Gradara -PU) and four commercial subsidiaries in Germany, China, the USA and S. Korea, the markets in which the leading global producers of machine tools are located, can guarantee a prompt and highly qualified.*

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